



Montenegro Independent Media Program

Funded By USAID

IREX
MONTENEGRO INDEPENDENT MEDIA PROGRAM
(MIMP)
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Quarterly Report
January 1, 2003 – March 31, 2003

IREX submits this quarterly report in accordance with the requirement of the Montenegro Independent Media Cooperative Agreement No. 170-A-00-01-00102-00. IREX believes the report provides sufficient detail to allow USAID to adequately monitor the program and ask follow-up questions. IREX staff members in DC and Podgorica have been in close contact with USAID throughout the quarter on program implementation. IREX welcomes USAID comments and questions on the report, directed to Jill Jarvi, Senior Program Officer (jjarvi@irex.org), and Angela Roberts, Program Officer (aroberts@irex.org).

I. SUMMARY

In the second quarter of the Year 2 MIMP Workplan, IREX continued the work started in July 2001. IREX's strategy concentrates on developing capacity and sustainability for independent media, and its approach focuses on four Intermediate Results:

1. Journalists provide citizens with objective, balanced and fact-based information;
2. Supporting institutions function in the professional interests of independent media;
3. The legal and regulatory framework supports free speech and access to public information; and
4. Publishers and station managers manage media outlets as efficient, profit-seeking businesses.

Within these four areas, IREX's work concentrates on key partners, particularly the Montenegrin Broadcasting Company (MBC), the weekly magazine *Monitor*, the Union of Independent Broadcast Media of Montenegro (UNEM), and the MINA News Agency. Much of this quarter's efforts focused on building upon MBC's solid ratings in January with consultancies and preparations for future subgrant activities as well as supporting the working group for the implementation of the media laws. The highlights presented below demonstrate that IREX is making strides to help the Montenegrin media provide citizens with the balanced and unbiased news and information necessary to participate in democratic and free-market institutions:

- **MBC TV Wins Rights to Broadcast 2003 World Rally Championship.** The Montenegrin Broadcasting Company (MBC) TV station gained the exclusive rights to broadcast the popular World Rally Championship (WRC) in Montenegro. The WRC is an international motor sport competition that takes place in 14 countries across four continents. IREX Business and Marketing Advisor Velibor Zolak was instrumental in facilitating the broadcast agreement on behalf of MBC and in contracting sponsors and advertisers.
- **Initial Donor Conference on Media Law Implementation Generates Commitments.** On February 20, IREX and the working group for the implementation of the media laws, led by the Union of Independent Electronic Media in Montenegro (UNEM) and the Secretariat of Information, hosted a donor conference to solicit commitments to carry out and/or finance activities outlined in the action plan for the implementation of the three new media laws. International donors attending pledged to implement approximately 75 percent of the proposed action plan activities through either in-kind or financial contributions.
- **IREX Involves UNEM in Networking Discussion with Four TV Stations.** IREX continued efforts to unify Montenegrin television stations that are struggling to attract the limited advertising income in the market amid growing competition from outside and inside the republic. On February 27, IREX and

USAID met with the owners of Elmag, Sky Sat, NTV Montena and MBC to explore strategic options for future cooperation.

- **MBC Draws Larger Audience.** The Montenegro Media Institute published the January 2003 Strategic Marketing and Media Research Institute (SMMRI) ratings for TV stations in Montenegro. MBC was one of three among the eight stations surveyed that increased its audience share since the September 2002 survey. MBC's viewer base increased by 15 percent, an achievement, which underscores the station's upward trend since its re-launch under a new brand with comprehensive news and current affairs programming in June 2002.
- **MINA News Agency Marks One-Year Anniversary.** In the one year since the merger of Montena Fax and Montena Business, the MINA News Agency has made considerable progress, increasing its output from 40 wires to 120 daily and making headway in the area of investigative and business reporting. To mark the one-year milestone and to build employee commitment to the agency's future, MINA rewarded two top managers with a five-percent stake each in company stock. IREX proposed this incentive to MINA leadership in an effort to establish a performance management and reward system for the news agency.
- **Montenegro Media Institute (MMI) Journalism School Begins.** On March 31, fourteen university graduates who aspire to become journalists attended the first day of the diploma course in journalism, Montenegro's first certified higher education program in journalism. The Danish School of Journalism (DSJ), MMI, and IREX developed the course curriculum which consists of practical classroom training, internships at local media outlets, and final evaluations of their work.
- **"Roma Speak" Returns to the Air through IREX Support.** With IREX financial assistance and consultation, the Democratic Roma Center resumed broadcast on March 8 of its weekly half-hour radio program "Roma Speak" on Radio Antena M. "Roma Speak" is an outreach tool for the nearly 18,000 Roma living in Montenegro, of which 7,000 have refugee status. Each Sunday evening, the radio program provides a general news summary and explores a social issue of interest to the Roma community such as employment, education, cultural traditions, and healthcare.
- **MBC Produces Record Number of *Naslovna Strana* Special Reports.** Ad-hoc surveys conducted by MBC indicate that the majority of people interviewed saw the breaking news on the assassination of Zoran Djindjic, former prime minister of Serbia, and the outbreak of the war in Iraq first on MBC's *Naslovna Strana*.

II. MEDIA ENVIRONMENT

The implementation of activities for the new media laws passed by the parliament in September 2002 officially started during this past quarter. On January 15, UNEM held a press conference in Podgorica to announce the action plan for the implementation of the new media law, broadcasting law, and law on public broadcasting services. The action plan was developed by the working group for the implementation of the media laws, which is made up of two UNEM and two government representatives, with considerable input from IREX media law consultant Hendrik Bussiek. UNEM and the working group's public announcement of the implementation plan was followed by a series of informational sessions throughout the republic designed to advise local authorities and civil society groups on the transformation of state-controlled broadcast media to public service broadcasters.

In addition to the working group, civil society at large and the parliament also fulfilled their roles in initiating the media law implementation process. Non-governmental organizations nominated their members to the Radio Television Crne Gora (RTCG) Council and the Broadcasting Agency Council on time, and the parliament ratified the nominations without much delay. There has been debate in the media about one or two of the members but this was to be expected. All in all, the new councillors seem to be independently-minded and representative of the society in Montenegro. Now with all the main

players in place – the working group and the two councils – the implementation process is underway in earnest.

The urgency for transforming state-owned broadcast media to public broadcasting services was underscored in March by the forced dismissal of TV Budva's editor-in-chief, Branka Plamenac. The ruling Liberal Alliance party in Budva, which had appointed Plamenac to her post, reportedly fired her when she did not comply with party "orders." The local Liberal Alliance has not upheld its campaign rhetoric, which indicated that media should not be under political pressures or party influences.

In addition to moving forward with the implementation of the media reform legislation, public debate continued on the free access to information law. The working group completed its first draft of the law and is now conducting roundtables and public awareness campaigns to encourage discussion on the draft content.

The Montenegrin TV market remains saturated, and the question of how long a population of 650,000 and a low economic base can support the eight national TV stations remains open. Some sort of rationalization or consolidation seems inevitable. Strategic Marketing and Media Research Institute (SMMRI) market data for January indicates that only three of the eight national TV stations increased their audience share since the September 2002 survey while the others lost rather than maintained their positions. Future, even fiercer competition is on the way from capital-intensive Serbian stations that view Montenegro as a market extension at marginal cost.

During this quarter, there were two significant developments within the print media sector. In March, the mass-selling daily *Vijesti* officially signed a contract with WAZ, a German media giant built on the success of the Essen paper *Westdeutsche Allgemeine Zeitung*, from which it takes its initials. As a result of the agreement, WAZ now has 50 percent ownership in *Vijesti*, plus one "golden share," which gives WAZ the decision-making majority with regard to business management issues while editorial decisions remain entirely up to the newspaper. WAZ's latest investment is only a part of its expansion plans in Southeast Europe, as it already has a considerable presence in Bulgaria, Croatia, Serbia, and Romania.

Also in March, Montenegrin publishers, led by *Vijesti* and *Dan*, lost the battle to fully exempt print outlets from the value-added tax (VAT) of 17 percent. While the new law will exempt dailies and weeklies from the VAT, it will levy the tax on the purchase of production materials such as newsprint, ink, etc., effective April 1. Representatives of the print media protested the decision and claimed that this creates a financial burden; however, they failed to acknowledge that many outlets had already hiked their newsstand prices in December 2002 in anticipation of the VAT.

III. PROGRAM ACTIVITIES

IREX's media development work in Montenegro focuses on training, consulting, and administering small grants to journalists and media outlets to improve the professional quality of independent media.

Intermediate Result 1

Journalists Provide Citizens with Objective, Balanced and Fact-Based Information

The success of independent media ultimately is tied to the quality of their journalism. In addition to improvement in reporting skills, IREX encourages independent media to increase comprehensive news and public affairs coverage, particularly on topics such as women's issues, economics, and business, and provides development support to key partners to improve facilities and equipment. IREX's assistance includes specialized training, on-site consulting, and small grants.

1.1 Journalists Follow Accepted and Recognized Professional Standards

1.1.1 TV Training

In February, broadcast strategy consultant David Bellin, technical expert Duncan Finch, plus former UPI and senior CNN editorial executive Ted Iliff worked with the Montenegrin Broadcasting Company (MBC) to improve the station's professional standards. All three consultants provided similar assessments of MBC. The station has come a long way in just seven months since its re-launch as MBC in June 2002, but it can not rest on its laurels. Bellin stated in his report, "a major leap is now required if MBC is to exploit and capitalize on the glaring gap in a fragmented and very confused market place for a high-quality broadcaster, trusted by and close to its national audience." Along these same lines, Iliff wrote, "MBC is now perched on a plateau. It cannot stay there; it must either take the tough, and in some cases expensive, steps to a higher level of news and information program production, or it will slip backward while being overtaken by competitors."

In early February, David Bellin worked with MBC management and programming staff to strengthen branding activities, to identify ways to improve the programming mix and quality, and to develop scheduling strategies. Paramount to any of these strategies per Bellin, however, is to revisit the station's mission and values internally, with outside donors such as IREX and USAID, as well as with viewers. The station has moved from an entertainment channel to an entertainment/information channel that is independent from politicians and political camps. Though this is critically important to donors, the question has to be asked if it is equally important to viewers. If it is, MBC must promote this value through branding, promotion, and programming.

With regard to branding, Bellin recommended numerous tactics such as removing all references to Blue Moon, ensuring consistency with the on-screen logo, reinforcing the brand in marketing campaigns, and employing a full-time graphics artist to improve the on-screen look. By the end of Quarter 2 of FY2003, MBC had submitted a proposal to IREX for a subgrant to expand marketing activities and to hire a graphic artist.

MBC recognizes that it needs to build the quantity and quality of its programs to strengthen its schedule. Bellin outlined for MBC ways to generate new programming. Options include outsourcing production to the independent sector, increasing the program acquisition budget, and expanding in-house production. Acknowledging budget constraints, Bellin challenged MBC to think outside the Montenegrin box to obtain programming. For example, male and female viewer focus groups highlight education as a gap in programming. MBC could work with embassies to generate language programming from their countries.

In the area of scheduling, Bellin trained MBC how to use two Excel models for building and monitoring a schedule, applying the two basic strategies of competitive scheduling (head-to-head) and complimentary scheduling (finding alternative audiences). He also discussed ways to use Strategic Media and Market Research Institute (SMMRI) data to segment audiences in order to target programming offerings.

Duncan Finch spent seven days in mid-February assessing the technical infrastructure of MBC's studio and control room and developing a set of recommendations to assist MBC to take the channel to a higher level. He commended MBC for becoming a credible competitor in an overcrowded television market despite that fact that its facilities are outfitted with largely consumer-grade electronics. In his report, Finch stated, "Put simply, MBC does an awful lot with very little." Taking MBC's approach of frugality and creativity into consideration, Finch outlined three phases for operational growth. For each phase, Finch identified the problems, recommended solutions, and estimated costs for equipment needs.

The first phase is a list of immediate action items requiring little money. Examples include improving the newsroom set by changing the lighting, elevating the presenter's desk, and establishing a common shot for the news program; creating consistent audio levels by setting up a tracking booth and using headsets; organizing the control room; and expanding the feed room to accommodate archiving.

The second phase involves building MBC's technical infrastructure, or foundation, to allow the station to grow in an organized and less haphazard manner. Finch recommended the purchase of several key pieces of equipment, which are necessary for MBC to do live shots during newscasts on a regular basis.

The third phase describes a future state for which MBC should be planning so that a long-range business plan can be structured for the company. If MBC is to continue emphasizing news and information to differentiate the station from the competition, it will need a facility that is capable of producing relatively complex live news events and slickly packaged magazine shows.

Since Finch's visit, MBC has already employed some of the quick wins and together with IREX, requested support to begin improving its technical infrastructure. These activities are described under IR 1.3.1 Development Support to Key Customers.

In late February, Ted Iliff returned to MBC to coach the program director on typical program director duties such as supervising the news and current affairs operation, developing new program formats, and revamping non-news programming. Working with the program director, Iliff spent considerable time providing feedback on the newscasts, talk shows, and related staffing.

During his two weeks, Iliff reports that MBC successfully adopted some recommendations which represent the simplest principles of newscast production. The presenters have started to employ "teases" and "tosses." At the end of the news block, the presenter tells viewers that the business news is coming up after the commercial break; the sports segment then gets the same tease treatment from the business presenter. After a commercial break, the next segment starts with a shot of two presenters -- the news presenter and either the business or sports presenter -- during which the news presenter "tosses" to the other presenter. This replaces the former practice of having the business or sports presenter start their segment after a break while the news presenter sits in the shot doing and saying nothing. Some of the more imaginative newscast editors have even tried variations on the main themes of teases and tosses. Iliff stresses that this creativity is an encouraging sign for future improvements in the newscasts.

1.1.2 Radio Training

IREX senior media advisor Vesna Banovic coached Radio Antena M on the development of a morning radio show concept, which represents a dramatic change for radio listeners in Montenegro. Market research shows that Montenegrin stations currently offer limited morning content except for service announcements such as weather and traffic information. With Banovic's guidance, Antena M concluded that the morning show will consist of a mix of information and entertainment programming weekdays from 7 a.m. to 10 a.m. It will include a morning newscast, news updates on the hour, and discussion on a topic of the day. Two hosts will moderate the show, interviewing special guests and listeners by telephone. The morning show will also incorporate live reports from Antena M staff on location.

In addition to defining the program concept, Banovic assisted Antena M with promotion planning. During April and May, Antena M will promote the morning show heavily through the daily newspaper *Vijesti* and on TV IN, with which Antena M has a discount agreement on advertising. In addition, the station will run contests to retain listeners and encourage loyalty.

In March, IREX issued Radio Antena M a subgrant to support the station's launch of the morning show for a period of ten months. The first morning show was aired March 15.

1.1.3 Print Training

No activity during this quarter.

1.1.4 News Agency Training

No activity during this quarter.

1.2 Independent Media Provide Comprehensive News and Public Affairs Coverage

1.2.1 Women's issues

Using IREX subgrant funds awarded in December, the weekly magazine *Monitor* conducted research to write and publish a supplement in February on the widespread problem of sex trafficking across all former Yugoslav republics.

In March, M-Production used IREX subgrant funds to produce a one-hour program on women's issues for broadcast on MBC. The program explored reasons for the republic's low birth and high abortion rates. Interviews with women and experts suggested that the republic's economic plight is the leading cause for the low birth rate. The program creators also interviewed gynecologists who described how deliberate miscarriages and repeated abortions are harmful to women's health.

Applying knowledge and ideas gained during a three-day site visit to ZDF in Munich, IREX broadcast advisers Vesna Banovic and Ljiljana Zugic worked with MBC to develop the concept for a new women's magazine, essentially a new niche in television programming for the Balkans. The guiding principles for the program are to encourage women to gain control over their lives, to improve their social and economic position, and to discover their talents and aspirations. The format will be a dynamic combination of short packages and features shot on-site, supported by archive materials. MBC plans to begin production in May.

1.2.2 Investigative Reporting

In February, the weekly *Monitor* published a two-part investigative article, totaling twelve pages, on the players within Montenegro's electrical power market. *Monitor* wrote about the connection between the political elite in Montenegro and the London-based EFT company which resold electricity to Montenegro at a handsome profit. One of EFT's owners is a member of the managing board of the Montenegrin power utility company which bought the electricity and was also the advisor to the prime minister at the time the contract was signed. The sale was clearly a conflict of interest. *Monitor* journalists used IREX subgrant funds to travel to the power utility company headquarters in Niksic and to Belgrade to conduct their investigation.

1.2.3 Economic, Business, and Privatization Reporting

The MINA News Agency will cooperate with MBC in the area of economic and business reporting. With funding provided through an IREX subgrant, MINA will leverage its business news service to develop and produce "Ekonometar," an informative program with special emphasis on economic reforms, small and medium enterprise development, banking sector revitalization, and privatization. Each "Ekonometar" program is expected to be 15 minutes in length and will consist of an introduction, a summary of main news stories, a discussion of selected economic or business issues, including interviews with experts representing various perspectives on relevant subject matter, and closing words. Broadcast of "Ekonometar" on MBC is expected to begin in the third quarter (April-June).

1.3 Facilities and Equipment for Gathering, Producing, and Distributing News Are Modern and Efficient

1.3.1 Development Support to Key Customers

In addition to IREX's policy of assisting independent media to acquire the knowledge and skills necessary to improve their professionalism, IREX works with a number of select independent media outlets that also merit assistance to strengthen their infrastructure and foster their independence. The Montenegrin Broadcasting Company (MBC), the weekly magazine *Monitor*, the Union of Independent Broadcast Media of Montenegro (UNEM), and the MINA News Agency receive such assistance with readership surveys, business plan development, equipment, and staff recruitment.

a.) MBC

The January 2003 Strategic Marketing and Media Research Institute (SMMRI) ratings for TV stations in Montenegro showed that MBC was one of three among the eight stations surveyed that increased its audience share since the September 2002 survey. MBC's viewer base increased by 15 percent, signaling the station's upward trend since its re-launch under a new brand with comprehensive news and current affairs programming in June 2002. Through IREX-sponsored consultancies and regular coaching by IREX chief of party Joe Raffelberg and staff, MBC continues to expand its programming in order to attract and retain viewers. In addition, MBC is applying consultant recommendations to expand its human resources and build a technical foundation with support from IREX.

Programming

MBC gained the exclusive rights to broadcast the popular World Rally Championship (WRC) from January to November 2003. The WRC is an international motor sport competition that takes place in 14 countries across four continents. IREX business and marketing advisor Velibor Zolak was instrumental in facilitating the broadcast agreement on behalf of MBC and in attracting sponsors and advertisers. Zolak helped MBC to promote the new programming through the main daily newspapers, engage advertisers, and secure one of Montenegro's leading companies and suppliers of petroleum products, Jugopetrol AD Kotor, as the general sponsor for the WRC programming.

During February and March, M-Production delivered to MBC seven of the remaining eight current affairs programs agreed to under an IREX subgrant for programming purchase. According to Strategic Marketing and Media Research Institute (SMRRI) survey data, M-Production shows are among the most popular of MBC's lineup. Following are the titles and brief synopses:

- *Pensioners' Life* documents the challenges faced by many elderly Montenegrins who irregularly receive their pension payments, suffer from poor health, and have a low standard of living. The program creators interviewed the president of the Republic Pension Fund, the president of the Pensioners Association, and pensioners to explain this social dilemma and to seek potential solutions.
- *Strikes* explores the civil actions taken by workers in Montenegro who have gone for long periods of time without pay, a subject rarely addressed in the media. M-Production presented the hunger strike of 60 employees of Prevoz-Pljevlja, a transport company, and the strike of dairy workers in Niksic.
- *Do We Understand Each Other?* examines the question of what language is spoken in Montenegro and what the answer may mean. Although Serbian is recognized as the official language of Montenegro, opinion polls show that half of the population identifies Serbian as their native tongue while the other half claims Montenegrin. M-Production also explores to what extent the language question represents a political or linguistic issue.
- *MAXIM Building* investigates whether construction companies are building projects in public spaces such as city parks with the consent of the local government.
- *Local Government* provides an overview of new local governance laws, including citizens' opinions on these laws.
- *Problem of Renting and Buying Flats in Podgorica* looks at the escalating cost of real estate and the disparity between property prices and the purchasing power of the average citizen.
- *Autistic and Handicapped Children in Montenegro* discusses the special needs of these children and highlights the lack of organizations dedicated to caring for them.

As described under IR 1.2 "Independent Media Provide Comprehensive News and Public Affairs Coverage," MBC and IREX spent much of the second quarter developing concepts for a women's magazine and, in cooperation with the MINA news agency, a business news journal.

Technical Infrastructure

The remaining broadcast equipment from Teleconsult (Italy) arrived in Podgorica in February. This equipment, co-financed through an IREX subgrant, will expand MBC's signal transmission to northern Montenegro. Installation is expected to begin next quarter once the icy conditions in the northern mountains have ceased.

IREX issued a subgrant to support MBC's efforts to build a solid technical foundation. MBC and IREX developed the subgrant scope based on the recommendations of consultant Duncan Finch, whose consulting engagement is detailed under IR 1.1.1 "Television Training." Using subgrant funds, MBC has added four TV monitors with independent satellite TV capabilities in the newsroom, enabling the master control to monitor current events as they unfold, and installed routers in the control room to allow the master control to switch instantly between feeds. Additional Internet connectivity improves the ability of reporters to prepare newscasts. MBC also reconfigured one corner of the newsroom to be a special set for news breaking events. Below are before and after pictures of the control room.

Before (February 2003)



After (March 2003)



The expansion of MBC's studio capacity positioned the station to deliver exceptional reporting on two major world events during March: the assassination of Zoran Djindjic, former prime minister of Serbia, and the outbreak of war in Iraq. In both instances, MBC responded quickly and mobilized its crew to gather reactions and analyses from field experts and politicians, monitor local and international media sources, and broadcast special reports of its news program *Naslovna Strana*. MBC was the first media outlet in Montenegro to report that Djindjic was critically wounded, and within 45 minutes of the tragedy, MBC was airing reactions of citizens on the street. Over the course of four days, up until the live coverage of the funeral ceremony in Belgrade, MBC delivered 52 special reports, along with regularly scheduled newscasts and a crawl with breaking and updated news across the bottom of the TV screen. In the days leading up to the war in Iraq, MBC maintained a level of high alert. Once the war began, MBC resumed its *Naslovna Strana* special reports and was the first TV station in Montenegro to rebroadcast footage of the conflict from international satellite stations with simultaneous interpretation into the Montenegrin language. MBC aired 49 special reports in the first days of the war. Ad-hoc surveys conducted by MBC indicate that the majority of people interviewed first saw the breaking news of both events on MBC.

b.) Monitor

During the quarter, owners of the weekly *Monitor* initiated a restructuring effort as recommended in a business plan developed with the assistance of IREX last year. The magazine is also planning for future growth, including the opening of an office in Belgrade, strengthening its reporting from northern Montenegro, and aggressively pursuing advertising revenue. In addition, the owners are developing a proposal requesting IREX support to expand its reporting on union-wide issues and to market the weekly in Serbia.

c.) UNEM

IREX continued support to UNEM to strengthen its advocacy role in the media law implementation process. Please see IR 3 "Legal and Regulatory Framework Supports Free Speech and Access to Public Information" below for more information. In addition, IREX is helping UNEM to position itself to facilitate

discussions of a potential TV network in Montenegro. Please see IR 2.1 “Broadcasters Association Provides Training to and Representation for Independent Broadcasters (UNEM)” below for more information.

d.) MINA News Agency

March marked the one-year anniversary of the MINA news agency, which was formed upon the merger of Montena Fax and Montena Business. According to Pavol Mudry, the managing director of the Slovak News Agency SITA, who has had considerable contact with MINA over the course of its development, MINA has made considerable progress to become a respected source of information for other media in Montenegro. MINA has increased its output from 40 to 120 wires daily and has made headway in the areas of investigative journalism and business reporting. To mark the one-year milestone and to build employee commitment to the agency’s future, MINA rewarded two top managers with a five-percent stake each in company stock. IREX proposed this incentive to MINA leadership in an effort to establish a performance management and reward system for the news agency.

1.3.2 Albanian Language Efforts

IREX media advisors worked with *Kronika*, Montenegro’s first Albanian-language magazine, to develop a subgrant proposal to support its investigative journalism activities and to translate the resulting articles into Serbian. *Kronika* plans to make these articles available on its website and to other media outlets. IREX expects to award the subgrant next quarter.

1.3.3 Roma

With the financial support of an IREX subgrant, the Democratic Roma Center (DRC) resumed broadcast of its weekly half-hour radio program “Roma Speak” on Radio Antena M on March 8. “Roma Speak” is an outreach tool for the nearly 18,000 Roma living in Montenegro, of which 7,000 have refugee status. In addition, the program educates Montenegrins on social issues of interest to the Roma community. Each Sunday evening, the radio program provides a general news summary and explores an issue such as employment, education, cultural traditions, and healthcare in both the Roma and Montenegrin languages. Radio Antena M staff regularly coach the DRC on the production of the show. The DRC ultimately aims to make “Roma Speak” a permanent show for distribution to other radio stations in Montenegro.

INTERMEDIATE RESULT 2

Supporting Institutions Function in the Professional Interests of Independent Media

Reform of media and journalism is a long-term process and must be driven by local institutions representing the media community. In light of this, IREX continues to build the capacity of supporting institutions such as the Union of Independent Broadcast Media of Montenegro (UNEM) for the protection and promotion of the rights of independent broadcasters, the Montenegro Media Institute (MMI) for training, and the Association of Young Journalists (AYJ) for media monitoring projects. Consulting and small, targeted grants provide the core of IREX support for these institutions.

2.1 Broadcasters Association Provides Training to and Representation for Independent Broadcasters (UNEM)

UNEM has circulated among its member TV stations a discussion paper on several business models for television consolidation, developed by IREX broadcast consultant Ted Iliff. This action is a follow-up step from the February 27 meeting attended by IREX, USAID, and the owners of Elmag, Sky Sat, NTV Montena, and MBC. In an effort to unify independent Montenegrin television stations that are struggling to attract the limited advertising income in the market amid growing competition from outside and inside the republic, IREX initiated this meeting to explore strategic options for future cooperation. Meeting participants discussed various scenarios including strategic alliances with partners outside of Montenegro, cost-cutting cooperation among stations in business and administrative functions,

consolidation of stations in terms of programming, production, and other core television operations, and station mergers. In the end, the stations agreed to engage UNEM has a facilitator to further assess the interest among members and options.

2.1.1 UNEM As Provider of Training

No activity during this quarter.

2.1.2 Small Grants for Group News Agency/Program Purchases

No activity during this quarter.

2.2 Publishers Association (Montpress) Represents the Interests of Independent Media Outlets

No activities planned during MIMP Year 2

2.3 Indigenous Training Institutions Provide Journalism Training (MMI)

2.3.1 Co-Sponsored Seminars and Workshops

No activity during this quarter due to preparations for the diploma course in journalism.

2.3.2 Diploma Course

MMI officially opened the diploma course in journalism on March 31 to fourteen university graduates who aspire to become journalists. MMI selected these participants from a pool of 79 applicants based on their general knowledge, potential talent for journalism, and command of the English language. The course, which runs through October 31, 2003, is Montenegro's first certified higher education program in journalism and consists of practical classroom training, internships at local media outlets, and final evaluations of their work.

The Danish School of Journalism (DSJ), MMI, and IREX developed the course curriculum using DSJ's methodology of "learning by doing," with emphasis on hands-on training on computers and in the radio or TV studio. Guest speakers will lecture on special topics. For example, professors from the University of Montenegro will discuss the political, economic, and legal system of Montenegro. After a general introduction and a workshop on print journalism, the course participants will focus on either radio or TV. The 16 weeks of classroom training will then be followed by a two-month internship at a local media outlet. During the last two weeks, MMI trainers will evaluate the performance of the participants and administer a final practical exam. Qualifying participants will receive certificates October 31, 2003.

IREX awarded MMI a subgrant to fund a portion of the training development, delivery, and follow-on activities, as well as classroom equipment needs.

Following is the timeline and status for the implementation of the course.

Timing	Activity	Status
Nov. 2002 to Mar. 2003	Training of trainers and developing curricula with Danish School of Journalism	✓
Feb. 3 to 21, 2003	Campaign for recruiting course applicants	✓ 79 applications received
Mar. 4 and 5, 2003	Entry tests for applicants (interviews)	✓ 32 applicants tested

Timing	Activity	Status
Mar. 15 and 16, 2003	Final selection of participants	✓ 14* participants registered
Mar. 31 to Jul. 20, 2003	Journalism diploma course training at MMI	✓ Started on schedule
Jul. 21 to Aug. 10, 2003	Summer holiday for participants	
Aug. 11 to Oct. 10, 2003	Internships at local media outlets	
Oct. 13 to 24, 2003	Final two weeks of training, including evaluation of participants work in media and final practical exam	
Oct. 31, 2003	Award ceremony	

* MMI originally planned for and selected 16 participants. Two of the 16, however, declined to sign an agreement of mutual understanding between the participant and MMI. In the event of inexcusable absences or leaving the program without cause, the participant is obliged to pay for his/her portion of the course in the amount of 3,000 EUR.

2.3.3 Research and Media Journalism Monitoring

No activity during this quarter.

Intermediate Result 3

The Legal and Regulatory Framework Supports Free Speech and Access to Public Information

A supportive legal and regulatory environment allows media to operate without fear of censorship, harassment, or other undue pressures on their editorial policies. IREX works closely with independent Montenegrin media, associations, and organizations such as the Union of Independent Broadcast Media of Montenegro (UNEM) and the Montenegro Media Institute (MMI), to develop democratic media laws on broadcasting regulations, access to information, and the decriminalization of libel law. IREX's approach is to empower these organizations to play a major role in the development of fair and democratic media laws and to engage directly and constructively with the government whenever possible.

3.1 Legal Framework Protects the Right to Gather, Produce, and Disseminate News

3.1.1 Promoting the Right of Access to Information

During the February donors' conference on media law implementation, the working group for the development of the law on free access to information presented the latest version of the draft legislation. IREX media law consultant Hendrik Bussiek, who was in attendance, commented in his final report that the draft had "undergone a miraculous change from earlier rather progressive versions to a piece of legislation which will only serve as a 'fig leaf' (*Monitor*, Feb. 2, 2003) for the state authorities in a pretense of transparency without really providing for free access." Bussiek, upon the request of IREX, submitted a set of critical comments for consideration by the working group in charge of the legislation. Bussiek also urged more open discussions through roundtables involving all interested members of the public as well as experts from the Council of Europe, the Organization for Security and Cooperation in Europe (OSCE), IREX, and others.

3.1.2 Implementation of Code of Professional Standards

In March, the Montenegro Media Institute (MMI) facilitated a meeting with all signatories of the Codex of Journalists of Montenegro. The outcome of the meeting was to form a working group charged with establishing a self-regulatory body to implement the set of principles. Working group members are Senko Cabarkapa, Boris Darmanovic, and Ranko Vujovic, who will also serve as the coordinator. The working group will compose the by-laws and other documents necessary for the registration of the self-regulatory

body as a non-governmental organization and prepare a proposal to share with donors to solicit financial support for the functioning of the body. It was also decided that UNEM will provide office space within its premises for self-regulatory body personnel.

3.1.3 Promoting Employment Rights of Media Workers

No activity during this quarter.

3.2 Media Licensing is Fair and Apolitical

The implementation of the media reform legislation began in earnest during the second quarter and was marked by the start of the transformation of the state-owned broadcasters into public broadcasting services, the efforts to secure funding for the implementation activities, and the drafting of statutes and policies for the newly formed Radio Television Crne Gora (RTCG) Council and Broadcasting Agency. UNEM continued to demonstrate its leadership role within the working group for the implementation of the media laws.

On January 15, UNEM held a press conference in Podgorica to announce the action plan for the implementation of the new media law, broadcasting law, and law on public broadcasting services. Following the public announcement, the working group began a series of informational sessions throughout the republic designed to advise local authorities and civil society groups on the transformation of state-controlled broadcast media to public control. The working group's visits to municipalities have resulted in lively public interest. Most meetings have been well attended with 30 to 50 participants each and the discussions have lasted for several hours.

On February 20, IREX, represented by chief of party Joe Raffelberg and consultant Hendrik Bussiek, and the working group hosted a donor conference to solicit commitments to carry out and/or finance activities outlined in the action plan for the implementation of the three new media laws. The action plan includes activities such as establishing a self-regulatory body to promote professional standards in journalism, privatizing print media presently controlled by the state, developing policies and regulations for license renewal and granting new licenses, and creating editorial and programming policies at RTCG that comply with the mandate of a public broadcaster. Representatives of the working group, USAID, the USAID/ORT Montenegro Advocacy Program (MAP), the US Consulate, OSCE-Belgrade, the Council of Europe, Press Now, and IREX attended and pledged to implement approximately 75 percent of the proposed action plan activities through either in-kind or financial contributions. Additional European governments and international donors are expected to contribute to the plan as well.



Pictured left to right at the donor meeting on media law implementation in Montenegro: Aaron Schwoebel (Public Affairs Officer, US Consulate), Dora Plavetic (Democracy and Governance Officer, USAID), Joe Raffelberg (Chief of Party, IREX Montenegro), and Claire O'Riordan (ORT/MAP)

In February and March, Bussiek worked both from his home base and on-site in Podgorica on the drafting of statutes for the RTCG Council and the Broadcasting Agency Council, recommendations on editorial and programming policies for the RTCG Council, as well as suggestions for a broadcasting policy for the Broadcasting Agency. After consultation with the working group, Bussiek also developed flow charts for

the activities to be undertaken with regard to the RTCG Council, the Broadcasting Agency, and the media law implementation. These charts provide a logical sequence of activities in accordance with the time-frame mandated by the legislation as well as the capacities of the bodies involved.

Bussiek met with the RTCG Council to review the draft statutes as well as other organizational models for similar organizations within the region. Bussiek and the council members discussed in particular the division of powers between the council and the managing board, the financing of radio and television, and various methods for dealing with complaints from the public. The council discussed the proposals at a follow-up meeting and drafted a revised version of the statutes to be forwarded to Bussiek for comment. In addition, the draft statutes will be presented to RTCG staff and the public at large for their input.

During his meetings with the RTCG Council, Bussiek also emphasized the need for the development of editorial and programming policies that are aligned with the new laws. The need for a restructuring plan aimed at downsizing RTCG's 1,100 staff to a viable figure demanded considerable discussion as well, and the development of such a plan is now a high priority.

Because the Broadcasting Agency Council members were only officially appointed by parliament on February 27, Bussiek did not have the opportunity to present the draft statutes to the group. He did review and discuss, however, the main principles of the statutes with the working group members.

All in all, the implementation process is on track due to the positive involvement of all key players. With the eleven members of the RTCG Council and the five members of the Broadcasting Agency Council engaged, work will now focus on open tenders for the top management positions and, thereafter, on adopting the draft statutes for the two bodies.

3.3 Indigenous Non-Governmental Institutions Represent Rights of Media Outlets and Journalists

No activity during this quarter.

INTERMEDIATE RESULT 4

Publishers and Station Managers Manage Media Outlets as Efficient, Profit-Seeking Businesses

Independent media must survive in the marketplace and therefore need to operate as efficient businesses. IREX provides targeted media outlets with individualized consulting and training to develop and implement strategic business plans and to produce and use market research to improve sales and marketing.

4.1 Independent Media Utilize Strategic Business Plans

In March, IREX chief of party Joe Raffelberg led a study tour for MBC director Milutin Radulovic and co-owner Svetlana Barovic to TV stations WDR and RTL in Cologne, Germany, and to VIVA in Zurich, Switzerland. IREX marketing advisor Velibor Zolak, who works closely with MBC, also participated. The on-site visits reinforced for Radulovic and Barovic the importance of having and following business and marketing plans, which must be aligned with the overall mission of the station. They were also impressed by the modern technical facilities and the work ethic demonstrated by staff. During the visit, MBC was able to exchange ideas on topics such as marketing design, promotion, and management structure with their German and Swiss counterparts.

IREX business consultant Matthias Wirzberger returned to MBC at the end March to revisit its current business plan, and advise management on how to adhere to the plan and to make modifications necessary for going forward. In particular, he worked with MBC to establish a two-year sales budget and forecast which was integrated into the business plan. Wirzberger also created a client database in Microsoft ACCESS to track current customers, future customers, acquisition targets, competitors, and customers of competitors, and provided training to MBC management on how to use the database.

4.2 Independent Media Utilize Market Research

The Montenegro Media Institute (MMI) conducted several meetings with TV station directors to gather input on the type of market research needed. It was generally recognized that the competitive TV market in Montenegro demands more frequent, professional research in order for station management to monitor trends. While some TV directors are more interested in the data to validate their positions, others such as MBC recognize the value of market research and are committed to using results to develop more effective marketing and programming strategies. IREX recommends increasing financial support of TV market research from semiannual research to quarterly research and suggests entrusting management of the process to MMI. To do so, MMI will continue its cooperation with the Strategic Marketing and Media Research Institute Group (SMMRI), which conducted a broadcast survey in September 2002, coordinated by IREX-MMI and BBC-RTCG.

Other

- From February 24 to 26, senior media advisor Vesna Banovic and new broadcast advisor Ljiljana Zugic attended on-site meetings with the *Mona Lisa* team at ZDF in Germany. *Mona Lisa* is a highly acclaimed women's program. The purpose of the visit was to exchange views and get ideas for the MBC women's magazine show still in the planning stages.
- Effective March 1, Ljiljana Zugic was promoted from office manager to broadcast advisor.
- Effective March 15, Tamara Stojkovic joined IREX as new office manager.

IV. SUBAWARDS

The table below summarizes the subgrants, totaling 133,766 USD, awarded between January 1 and March 31, 2003.

Recipient	Purpose	Ceiling (USD)
Democratic Roma Center	Production of twelve, 30-minute "Roma Speak" shows for broadcast by Radio Antena M during a three-month period	4,950
Radio Antena M	Production of morning radio show during a ten-month period	21,000
MMI	Development and delivery of diploma course in journalism	55,000
MBC	Upgrade of MBC's broadcast facility in order for MBC to receive, monitor, and report on world events	18,147
MINA News Agency	Production of "Ekonometar," a business news program for broadcast by MBC during a one-year period	32,349
NTV Montena*	Production of a documentary film on Croatian civilians imprisoned in Montenegro during the 1992-1993 war	2,320

* Duro Vucinic, director and editor-in-chief of NTV Montena, retracted his request for assistance when presented the subgrant, citing IREX's declining support of his station as the reason for his decision. As a result, IREX has voided this subgrant.